

# COVID-19 Relief and Recovery Funding



**State Budget Committee**

**July 28, 2021**

# CARES Act

## Coronavirus Relief Fund, \$2.4 billion

- Eligible costs incurred March 1, 2020, through December 31, 2021
- Transition to close-out preparation
  - Working with agencies on program spending
    - Previously unidentified costs
    - Obligation residuals
    - Redeployment
- Present at future Budget Committee meetings
- Quarterly reporting through September 2022

# ARP

## Major Program Areas

Health and Human Services – FSSA, DOH, IHCDA	Estimated Amounts (thousands)
Child Care and Development Block Grant	\$337,758
Child Care Stabilization Grants	\$540,209
Child Care Entitlement to States (Increase in Matching Portion)	\$10,961
Low Income Home Energy Assistance Program	\$114,066
Community-Based Child Abuse Prevention	\$5,230
Child Abuse State Grants	\$2,127
Supportive Services	\$8,894
Congregate and Home Delivered Meals	\$14,500
Preventive Services	\$851
Family Caregiver	\$2,744
Title VII Long-Term Care Ombudsman	\$193
Mental Health Block Grant	\$25,577
Substance Abuse Block Grant	\$26,103
Epidemiology and Lab Capacity	\$202,771
Vaccine Preparedness	\$65,774
Crisis Response and Disease Intervention Workforce	\$57,140
Low-Income Household Drinking Water and Wastewater Energy Assistance	\$10,161
Family Violence Prevention and Services	\$2,370
Home and Community-Based supportive Services	Enhanced matching

Summarized from various sources. Not all awards executed.



# ARP

## Major Program Areas, cont'd

Education – DOE, Direct	Estimated Amounts (thousands)
Elementary and Secondary Education	\$1,994,734
Non-Public Schools	\$78,874
IDEA	\$70,215

Homeland Security – IDHS	Estimated Amounts (thousands)
Emergency Management Performance Grants	\$1,967
Emergency Food and Shelter Program	\$5,894

Agriculture – FSSA, ISDH	Estimated Amounts (thousands)
WIC Program Modernization	\$12,109
Supplemental Nutrition Assistance Program (SNAP) 3-year State Administrative Expense grants	\$15,528

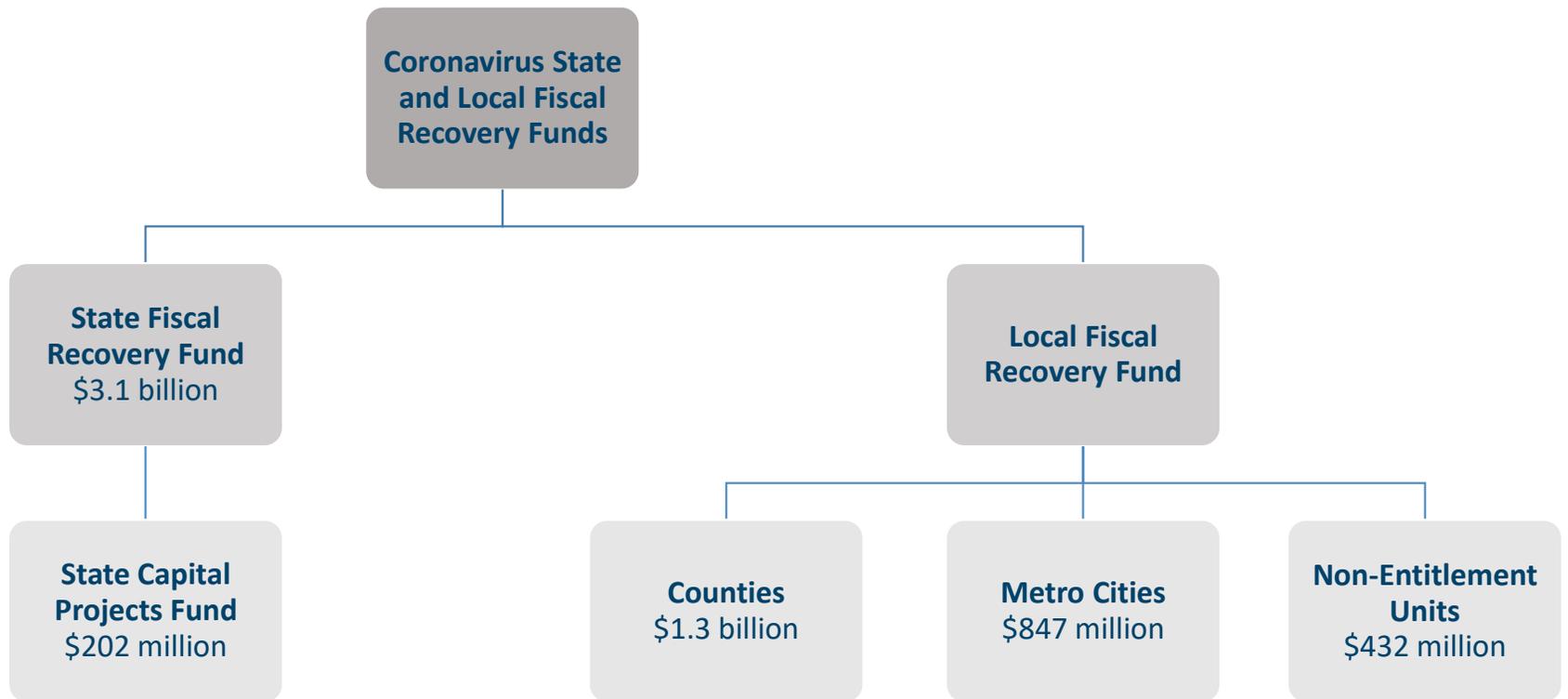
Other – Arts Commission, State Library	Estimated Amounts (thousands)
National Endowment for the Arts - State Arts Agencies	\$843
National Endowment for the Humanities - State Councils	\$1,017
Institute of Museum and Library Services	\$3,477

Treasury – State Budget Agency, IHCD, IEDC	Estimated Amounts (thousands)
State Fiscal Relief Fund	\$3,071,831
Capital Projects Fund	\$202,264
Emergency Rental Assistance	\$354,432
Homeowner Assistance	\$167,922
State Small Business Credit Initiative	\$62,031

Summarized from various sources. Not all awards executed.



# Fiscal Recovery Funds



Amounts are preliminary estimates.

# State Fiscal Recovery Fund

- State allocation: \$3.1 billion
  - \$1.536 billion (50%) received June 30
- Funds appropriated in budget
  - State agencies developing programming
- Funds available through December 31, 2024; performance period through December 2026
- Public comment period for Interim Rule ended July 16

# State Fiscal Recovery Fund

- Eligible Uses:
  - Respond to public health emergency or its negative economic impacts including assistance to households, small businesses, and nonprofits, or aid to impact industries such as tourism, travel, and hospitality
  - Respond to workers performing essential work during public health emergency by providing premium pay
  - Necessary investments in water, sewer, or broadband infrastructure
  - Government services to the extent of reduced general revenue
- Prohibited Uses:
  - Deposit to pension funds
  - Offsetting reduction in net tax revenue resulting from change in law, regulation interpretation during the covered period (March 3, 2021 until funds expended or returned)

# ARP Appropriations in FY22-23 Budget

Federal Appropriations from American Rescue Plan	FY22	FY23	Biennial
DOC \$1,600 Correctional Officer Hazard Pay Stipends	\$8.5	-	
DOC Stab Vests	\$7.0	-	
ISP \$1,600 Hazard Pay Stipends	\$2.0	-	
ISP Body Cameras	\$20.0	-	
ISP grants to Local Units for Body Cameras	\$5.0	\$5.0	
ISP grant to MAAC Firefighter Regional Training Pilot	\$0.3	\$0.3	
DNR Next Level Trails	\$60.0	-	
DNR Conservation Land Acquisition	\$25.0	-	
LG Broadband Grants	\$250.0	-	
IEDC READI	-	-	\$500.0
IEDC Next Level Flights	-	-	\$10.0
InvestEd Career Accelerator	\$75.0	-	
InvestEd Internet of Things (IoT) Lab	\$1.0	-	
IFA Northwest Regional Development Authority	\$231.0	-	
DWD UI Trust Fund	\$500.0	-	
INDOT Next Level Connections Fund	\$205.0	\$900.0	
FSSA Mental Health Grants	\$50.0	\$50.0	
IDOH Health Issues and Challenges Grant Program	-	-	\$50.0
IEDC Inter-Modal Transportation Study	\$1.2	-	
IFA Water Infrastructure Grant Program	\$50.0	\$50.0	
IFA Transportation and Water Infrastructure Local Grants	\$30.0	\$30.0	
	\$1,521.0	\$1,035.3	\$560.0



# Reporting and Compliance

- Reports
  - Interim
    - States, Metro Cities and Counties
      - Due August 31, 2021
      - Revenue replacement/government services
      - New distribution status with details
  - Project and Expenditure Report
    - States, Metro Cities and Counties receiving \$5 million or more
      - Quarterly starting October 31, 2021
    - States, Metro Cities and Counties receiving less than \$5 million and NEUs
      - Annual starting October 31, 2021
  - Performance Report
    - States, Metro Cities and Counties with populations of 250,000 or greater
      - Annual starting August 31, 2021, and then July 31 thereafter

# Capital Projects Fund

- Critical capital projects directly enabling work, education, and health monitoring, include remote options, in response to public health emergency and COVID.
- Guidance forthcoming

# Local Fiscal Recovery Fund

- Similar uses and restrictions as state
- Distributions: \$2,587,845,560 in two, equal installments
  - 92 counties: \$1,307,654,622
    - Distributions based on relative populations
  - 25 metro cities: \$847,639,658
    - Distribution formula incorporating HUD variables of poverty, population and housing
- 542 Non-entitlement units (NEUs): \$432,551,280
  - \$216 million (50%) received June 30

# Local Fiscal Recovery Fund - NEUs

- As of July 23, 169 applications for \$110 million approved
- Application Requirements to be administered by Indiana Finance Authority
  - Federal award terms and conditions
  - Budget acknowledgement (distribution limited to 75% of 2020 budget)
  - Allocations over 75% of the NEU budget must be returned to US Treasury
  - Compliance certificate for Title VI of the Civil Rights Act of 1964
  - Creation of a NEU Recipient Number
  - Direct NEU to US Treasury guidance for the program
  - Request process will include the opportunity to decline funds
  - Follow-up required on non-responsive NEUs; allocations from non-responsive NEUs may be redeployed
- NEUs are deemed prime recipients and are subject to ongoing compliance and reporting requirements; first report due in October
- Distribution status will be part of state interim report due August 31
- Distribution extension requested July 26